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Creditors of Lehman Brothers Holdings Inc., et al.

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re:	: Chapter 11 Case No.
LEHMAN BROTHERS HOLDINGS INC., <u>et al.</u> ,	: 08-13555 (JMP)
Debtors.	: (Jointly Administered)
	: ----- X

**STATEMENT OF OFFICIAL COMMITTEE OF UNSECURED  
CREDITORS IN CONNECTION WITH LBHI'S MOTION, PURSUANT TO  
SECTIONS 105(a), 363(b)(1) AND 363(f) OF THE BANKRUPTCY CODE AND RULE  
6004(h) OF THE BANKRUPTCY RULES, FOR AUTHORIZATION TO TRANSFER  
CERTAIN MORTGAGE SERVICING RIGHTS TO AURORA BANK FSB**

The Official Committee of Unsecured Creditors (the “Committee”) appointed in the chapter 11 cases of Lehman Brothers Holdings Inc. (“LBHI”) and each of its affiliated debtors in possession (collectively, the “Debtors”) hereby files this statement (the “Statement”) in connection with LBHI’s motion, dated June 23, 2010 [Docket No. 9809] (the “Motion”)<sup>1</sup>, to transfer the Designated Fannie Mae MSRs free and clear of any liens, claims or interests in such assets to the Bank.

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<sup>1</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

## **STATEMENT**

1. The Committee does not object to the relief requested in the Motion. The Committee, with the help of the Committee's financial advisors, has evaluated the proposed transfer of the Designated Fannie Mae MSRs and concurs in LBHI's view of its benefits. The settlement among LBHI, Aurora and the Bank is in the best interest of LBHI's estate. In addition, the relief requested in the Motion will ultimately be necessary for the consummation of the Settlement.

2. The Committee recognizes that there is a risk that the Designated Fannie Mae MSRs are transferred to the Bank and the Settlement does not thereafter go forward. This would mean that LBHI would be making yet another equity investment in the Bank without the benefit of the Settlement. However, based upon all currently available information, the Settlement appears highly likely to close, so this risk should not stand in the way of immediate approval of the transfer of the Designated Fannie Mae MSRs. Moreover, the Committee and its advisors also believe that, Settlement or no Settlement, the Designated Fannie Mae MSRs are worth more in the Bank's hands than in LBHI's hands. Consequently, the transfer will benefit LBHI (as the Bank's sole equity holder) regardless of whether the Settlement is ultimately consummated.

3. In its response, Fannie Mae states that, notwithstanding contrary representations in the motion, (i) negotiations between Fannie Mae, LBHI and the Bank are still underway and Fannie Mae has not approved either the Bank or Aurora for any additional Fannie Mae programs; and (ii) that Fannie Mae has not yet agreed on what obligations will be required to be assumed by LBHI as the transferor of the Designated Fannie Mae MSRs or other MSRs.

However, Fannie Mae also indicated that it expects to reach a consensual resolution of its remaining concerns.

4. It is the Committee's understanding that Fannie Mae has now agreed to withdraw its Response on the condition that language be added to the Order that clarifies that nothing in the Order shall prejudice, impair or be construed as a waiver of Fannie Mae's claims or rights. Assuming that all remaining issues with Fannie Mae have been satisfactorily addressed prior to the hearing on the Motion, the Committee has no objection to the immediate approval of the transfer of the Designated Fannie Mae MSRs.

Dated: New York, New York  
July 9, 2010

**MILBANK, TWEED, HADLEY & McCLOY LLP**

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